

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7410

BILL NUMBER: HB 1561

DATE PREPARED: Jan 5, 2001

BILL AMENDED:

SUBJECT: Experience Requirements for Appraisers.

FISCAL ANALYST: Chris Baker

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the minimum hour values of appraisal work that may qualify for experience credit for the licensing or certification of real estate appraisers for: (1) appraisals of land less than 100 acres; and (2) appraisals of land 100 acres or more.

Effective Date: Upon passage; July 1, 2001.

Explanation of State Expenditures: There may be some additional expenditures required for the publication of the new rules related to the minimum hour values for experience credit. The Professional Licensing Agency should be able to absorb these costs given its current budget.

Explanation of State Revenues: The bill requires new regulations for hours necessary for certain types of appraisals done on a tract of land under one hundred acres and a tract of land at least one hundred acres in size. The requirements proposed would apply to both licensing and certification of real estate appraisers. The requirements could reduce the number of appraisals that a general certified appraiser would have to complete in order to qualify for certification. It is possible that more general appraisers could be certified as a result of the bill, and potentially could result in increased revenue collected from fees for certification.

In FY 2000 the amount of fees collected for real estate appraisers was \$149,760. As of December 2000, the Professional Licensing Agency reported 523 certified general, 756 certified residential, and 676 licensed residential real estate appraisers with active licenses. In addition there are 742 active licensed Appraiser Trainees.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Professional Licensing Agency; Real Estate Commission.

Local Agencies Affected:

Information Sources: Office of the Auditor of State, Professional Licensing Agency.